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JAN 19 2007

Applicant has read and considered the Office Action dated October 20, 2006. In this Amendment, Applicant has amended claims 1 and 5. Support for these amendments can be found in the specification and claims as originally filed, as described in the below remarks. Claims 1-5 are pending, and no new matter is asserted.

Claim Rejections Under 35 U.S.C. § 112**I. Rejection of Claims 1-5 under 35 U.S.C. § 112, First Paragraph**

The Office Action rejected claims 1-5 under 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement. The Office Action specifically indicates that the claims contain subject matter not described in the specification in a way to convey to one of skill in the art that the inventor possessed the claimed invention at the time the application was filed. Applicant respectfully traverses the rejection.

With respect to the "repeating" limitation referenced in the Office Action and incorporated into independent claims 1 and 5, Applicant notes that, as indicated on page 6, lines 1-2 of the patent application, D_{min} is the error of the best candidate block at each step. Replacement of D_{min} with the minimum error allows for comparison between the block under consideration and the "current" best candidate block at that time. This repeated replacement is discussed in a variety of locations throughout the specification, including those locations mentioned in the Office Action response of June 19, 2006. Additionally, on page 6, lines 20-25 the application recites that, among the restricted group of blocks, the "error between the image block to be coded and the candidate block is computed normally pixel by pixel. If the error exceeds the minimum error up to that stage, the computing is stopped and the comparison is done in the next candidate block." This reflects that the blocks within the restricted group of blocks are, at various times, the referred-to candidate block or next candidate block, respectively, and are each considered using the claimed method in such a repeated fashion.

Because the "repeating" limitation is supported by the disclosure of the originally-filed specification, Applicant respectfully requests reconsideration and withdrawal of this rejection of

claims 1 and 5. Claims 2-4 depend from claim 1, and inherit this limitation. Applicant respectfully requests reconsideration and withdrawal of the rejection of these claims as well.

2. Rejection of Claim 5 under 35 U.S.C. § 112, Second Paragraph

The Office Action also rejected claim 5 under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and claim the subject matter that Applicant regards as the invention. Applicant respectfully traverses this rejection as well.

Applicant notes that claim 5 is amended to remove certain of the means-plus-function limitations to clarify that each of the recited "means" phrases corresponds directly to steps in the algorithm disclosed in the specification. Specifically, the structure corresponding to the functions recited in the phrases in the claim clearly correspond to the algorithm disclosed in the specification, such as described in detail at page 5, lines 14-20 and from page 5 line 26 to page 6 line 20. The steps described in the specification are performed in conjunction with the system disclosed in Figure 1. Applicant therefore notes that the means-plus-function phrases in claim 5 are sufficiently definite, as to comply with 35 U.S.C. § 112.

For at least this reason, claim 5 is supported by the specification and rejection under § 112 is improper. Applicant respectfully requests reconsideration and withdrawal of this rejection.

Claim Rejections Under 35 U.S.C. § 101

The Office Action rejected claims 1-4 under 35 U.S.C. § 101 because the claims are not directed to statutory subject matter. Applicants respectfully traverse this rejection.

Applicant believes that the claims as originally presented fall within the bounds of 35 U.S.C. § 101, as dictated by a number of cases issued by the Court of Appeals for the Federal Circuit. *See In re Beauregard*, 53 F.3d 1583, 1584 (Fed. Cir. 1995); *State Street Bank & Trust Co. v. Signature Financial Group, Inc.*, 149 F.3d 1368 (Fed. Cir. 1998). In fact, the Supreme Court has indicated that statutory subject matter includes "anything under the sun made by man". *Diamond v. Chakrabarty*, 447 U.S. 303 (1980). The claims as originally presented clearly fall within the statute, as they are directed to a specific, technical effect having a concrete, tangible,

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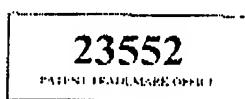
and useful result -- "performing motion estimation of image blocks on image frames in video image compression".

Nevertheless, to advance prosecution of the present application, Applicant has amended the body of claim 1 to clarify that the claim is directed to a concrete, useful result of "performing motion estimation for the image block." Additionally, the claimed function provides the concrete technical advantage of requiring significantly less time and computing resources than prior art methods. Therefore, the method of claim 1 allows motion estimation to be performed, for example, by software in a standard computing environment, unlike prior art systems at the time of the invention. See page 7, lines 1-9. Applicant therefore asserts that this specifically claimed concrete, useful result of estimating motion of an image block, an effect tangible to a user, falls within the statutory bounds of § 101.

For at least the above reasons, Applicant respectfully requests reconsideration and withdrawal of the rejection of claim 1. Applicant notes that claims 2-4 depend from claim 1, and therefore fall within 35 U.S.C. § 101 as well. Applicant respectfully requests reconsideration and withdrawal of the rejection of these claims as well.

Conclusion

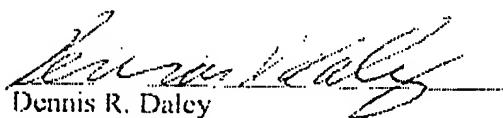
Claims 1-5 remain pending in this application. In view of the above amendments and remarks, Applicant respectfully requests a Notice of Allowance. If the Examiner believes a telephone conference would advance the prosecution of this application, the Examiner is invited to telephone the undersigned at the below-listed telephone number.



Respectfully submitted,

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